GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4949
ANSWERED ON:24.08.2001
EXPORT OF WHEAT
Y.S. VIVEKANANDA REDDY

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Associated Chambers of Commerce and Industry of India has urged theGovernment to exempt established exporters from the conditions imposed by Food Corporationof India for participation in wheat export tenders to realise the full benefits of the new policy that allows the private trade to directly buy wheat from FCI;

(b) if so, whether the Associated Chambers of Commerce and Industry has also submitted detailed suggestions in this regard;

(c) if so, the details thereof;

(d) whether the Union Government are examining these suggestions;

(e) whether the Union Government have implemented the suggestions of Associated Chambers of Commerce and Industry; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a)&(b): Yes, Sir.

(c): The suggestions of ASSOCHAM are:-

(i) To abolish the tender system and allow exporters to buy wheat and rice at a fixed price.

(ii) To simplify rules and procedure.

(iii) FCI to supply good quality cleaned wheat for export.

(iv) To strengthen FCI`s procurement system-FCI to insist upon strict quality controls while procuring wheat and rice from the farmers.

(d),(e)&(f): FCI has been permitted to offer wheat for export at Rs.4200/- PMT, raw rice atRs.5650/- PMT and parboiled rice at Rs.6000/- PMT. The rules and procedures are laid down by FCI keeping in view the operational requirements for facilitating exports so as to ensure that wheat and rice meant for export are actually exported. In the opinion of FCI, furnishing of Bank Guaranteeis necessary in order to arrest diversion of stocks. The exporters are permitted to identify and choose their stock for export. FCI procures rice and wheat as per the uniform specifications prescribed by the Government.